

NOAA Personal Property
Status Meeting with Line and Staff Offices
January 4, 2007 at 11:00 a.m.

Introduction

Ezekiel Dennison, Jr., Director, Logistics Division

Purpose

These meetings are being held monthly to ensure coordination among the Personal Property Branch, the Finance Office, and the Line/Staff Office CFOs, Property Managers, and/or representatives in the areas of:

- Property Balances
- Process and Procedures
- Inventory Status
- UPR Status
- Status of Projects

Agenda

The meeting covered the following topics:

Audit Calendar	Unreconciled Payments Report (UPR)
Unresolved Audit Issues	Annual Inventory – FY 2007
Anticipated Projects by Line/Staff Office	Training Reports
Matrix of Missing Documentation	

The meeting materials, presentation slides, and the minutes will be posted to the web site shortly after the meeting. The presentation slides will include revisions brought to our attention during the meeting.

Audit Calendar

The first topic of the meeting was the audit calendar, which can be located on the NOAA Personal Property's website at http://www.pps.noaa.gov/audit_calendar.html. The calendar highlights dates that are important in order to comply with the deadlines established by Finance. The calendar includes dates when supporting documentation is due to Personal Property and when reports are due to Finance.

The reports are due to Finance on the Monday a week prior to the last Tuesday of each month. To meet these new deadlines, the closing date will typically be four business days prior to the Monday when the reports are due to Finance. The date will not be the same for each month, so the **audit calendar on the website should be checked for the due dates for each month.**

Reports of property transactions received after the closing date will not be included in Sunflower until the next month after the reports have been run. This instituted internal control process was developed with Finance to systematically review transactions recorded in Sunflower by Director of Logistics, Personal Property Branch Chief, the Director of Finance and staff.

Timely submission of documentation to the Property Office is critical.

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Unresolved Audit Issues

(Projected date of acceptance (PDA))

NESDIS:

1. NSOF (NOAA Satellite Operations Facility) Antenna Systems
 - a. Project Manager: Warren Dorsey
 - b. PDA: December 2006
 - c. Est. Cost: \$3.5 million
 - d. The 37-6 has been completed and will be provided to Nick Bayer, Finance, for his review this week. The package (37-6 and related supporting documentation) should be provided to the Personal Property Branch (PPB) by January 12, 2007.
2. NSOF Network Core (PBX)
 - a. Project Manager: Paul Pegnato
 - b. PDA: December 2006
 - c. Est. Cost: \$3.3 million
 - d. Paul Pegnato returned from emergency medical leave yesterday, January 3. He sent PPB an email stating that he would be determining if this network is operational and been accepted by NOAA. If it has been accepted, he will work on pulling together the necessary documentation and provide it to the PPB.
3. LRIT
 - a. Project Manager: Angelo Wade
 - b. PDA: December 2006
 - c. Est. Cost: \$3.3 million
 - d. The 37-6 has been completed and will be provided to Nick Bayer, Finance, for his review this week. The package (37-6 and related supporting documentation) should be provided to the Personal Property Branch (PPB) by January 12, 2007.

NMAQ:

1. Sonar for Long Range Fishery Vessel
 - a. Project Manager: Michael Webb
 - b. PDA: In litigation
 - c. Est. Cost: \$5.6 million
 - d. A program review was performed last month, and new milestones were created. A meeting will be held on January 8, 2007, and hopefully a projected date of acceptance will be determined.

NOS:

1. Dell Enterprise IT Storage Software
 - a. A meeting is scheduled (upon Brian's return from vacation) to discuss which pieces are to be capitalized.

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NWS:

Note: Jan Evans has been out for most of November and December. She is just returning to work. Jan stated that she will provide an email next week with an update on these projects.

1. IBM Computer Lease (Is this equipment in Fairmont?)
 - a. Project Manager: Unknown
 - b. PDA: September 2006
 - c. Est. Cost: Unknown
2. Uninterruptible Power Supply (UPS) for NWS Telecommunication Gateway (NWSTG)
 - a. Project Manager: William Johnson
 - b. PDA: November 2006
 - c. Est. Cost: Unknown

NWS and OAR:

1. Raytheon Computer Leases and Purchases
 - a. Three super computers are being procured under one contract, which includes leases and purchases.
 - b. Lease determination worksheets have been completed for the leased equipment.
 - c. The equipment needs to be bar coded and paperwork provided to the PPB for entry into Sunflower.

Upcoming Projects by Line/Staff Office (L/SO)

Property Managers were asked to verify the following projects' projected date of acceptance (PDA).

NESDIS Projects

1. Critical Points of Failure
 - a. Project Manager: Angelo Wade
 - b. PDA: February 2007
 - c. Est. Cost: \$6.6 million
2. LUT (Local User Terminal)
 - a. Project Manager: Tom Button
 - b. PDA: February 2007
 - c. Est. Cost: Unknown
3. 13M Drive System Upgrade
 - a. Project Manager: Bob Clark
 - b. PDA: March 2007
 - c. Est. Cost: \$468K (both 13M and 14.2M)
4. 14.2M Antenna Control System
 - a. Project Manager: Bob Clark
 - b. PDA: March 2007
 - c. Est. Cost: \$468K (both 13M and 14.2M)

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5. GOES N (Geostationary Operational Environmental Satellite)
 - a. Project Manager: Steve Kirkner
 - b. PDA: February 2007
 - c. Est. Cost: Unknown
6. GOES N Series SSG Modification for Operations – Ground Systems (N/O/P/Q)
 - a. Project Manager: Charlie Bryant
 - b. PDA: March 2007 (upon acceptance of GOES N)
 - c. Est. Cost: Unknown
7. EMWIN (Emergency Managers Weather Information Network)
 - a. Project Manager: Angelo Wade
 - b. PDA: 2nd Quarter 2007
 - c. Est. Cost: \$1 million
 - d. The 37-6 has been completed and will be provided to Nick Bayer, Finance, for his review this week. The package (37-6 and related supporting documentation) should be provided to the Personal Property Branch (PPB) by January 12, 2007.

NMAO Projects

1. New Twin Otter
 - a. Project Manager: Michelle Finn
 - b. PDA: March 2007
 - c. Est. Cost: \$2.5 million
2. Henry Bigelow
 - a. Project Manager: Joseph Bohr
 - b. PDA: Completed; to be commissioned in 3rd Quarter 2007
 - c. Est. Cost: \$55 million
 - d. A home port issue needs to be resolved prior to commissioning.
 - e. This asset is in Sunflower as an inventory asset. Upon commissioning, it will be capitalized.

NMFS Projects

1. NE Fisheries Information Management System
 - a. Project Manager: Martin Colby
 - b. PDA: February 2007
 - c. Est. Cost: \$945K
 - d. Phase 1 of this project has four orders and is scheduled through 2007. Phase 2 will begin upon completion of Phase 1 and is scheduled through early 2010.

NWS Projects

Note: Jan Evans has been out for most of November and December. She is just returning to work. Jan stated that she will provide an email next week with an update on this project.

1. Air Handling Replacement for NWS Telecommunication Gateway (NWSTG)
 - a. Project Manager: William Johnson
 - b. PDA: April 2007
 - c. Est. Cost: Unknown

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NOAA Personal Property needs the Line/Staff Offices' help to identify any other future transactions related to property so that we can be proactive in accounting for those assets. If there is any other procurement that is forecasted to occur, please provide NOAA Personal Property with information to help facilitate the accounting of that property. The Personal Property Office have developed standard operating procedures requiring review by employees of the Branch of all Unreconciled Payments Request listing transactions twice weekly to ensure that transactions are appropriately recorded. The Personal Property Office as well will work with Personal Property Project Managers to identify all CWIP projects timely as briefed at this meeting and past Line and Staff Office meetings.

There are a couple of websites that are useful in order to view pending CWIP projects and C* tracking. They are as follows:

CWIP projects: https://inside/noaa.gov/noaa/Budget_Planning/cwip

C*Tracking: <http://www.ago.noaa.gov/ad/doc/reports/all-actions.shtml>

Property managers should be careful in reviewing criteria for CWIP categorization. Please use the website to ensure that items that are considered to be CWIP are accounted and tracked properly. In addition Finance had indicated that there was a late submission of reported CWIP. Finance will clarify the due dates in their next data call.

Matrix of Missing Documentation

NOAA Personal Property, with the help of Ernst & Young, reviews folders created to document capitalized assets. The Matrix of Missing Documentation presents the results of the review: identifying missing documentation, any errors or issues with the existing documentation, and any errors or issues with the record of the asset in Sunflower. This matrix is updated periodically and is posted on the personal property web site. The CFO will be asked for help in resolving any issues that have been reported in prior reports and are overdue.

The following L/SO owe missing documentation to the Property Office:

NWS

Note: Jan Evans has been out for most of November and December. She is just returning to work. Jan stated that she will provide an email next week with an update on this documentation.

1. CD0001461661 (6.1 Meter L-Band Motorized Antenna Systems): Missing invoices (6 *months old*)
2. CD0001041943 (VM/ESA software): Missing receiving report/acceptance (3 *months old*)

Unreconciled Payments Report (UPR)

NOAA has adopted the internal rule which states that object class codes beginning with 31 will be used when acquiring accountable personal property. See <http://www.pps.noaa.gov/acctobj.htm> for definitions of accountable property and object class codes. Therefore, the assumption is that if a payment was made in the finance system using object class code 31, there should be a

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corresponding record in the property system. There are exceptions to this rule. (See <http://www.pps.noaa.gov/Training/UPR.htm> for the fact sheet on UPR.) If a LO cannot account for personal property, the LO must fill out a CD 52 to resolve outstanding items on the UPR.

Once a week, a file is captured out of CBS of all payments against object class code 31 for items other than purchase cards. Purchase card payments are captured out of CBS once a month. These files are sent to a server that adds these records to those previously existing UPR and displays them on the NOAA Personal Property Web Site. (<http://www.pps.noaa.gov/>)

Twice a week, usually on Wednesdays and Fridays, a file of all assets is generated out of Sunflower. This file is sent to the UPR server and matched against the payments appearing there. If the record in Sunflower matches the record of a payment, that payment is automatically reconciled and removed from the UPR. If only part of the payment is reconciled, the line is not removed, but the amount that has been reconciled is displayed. Automatic reconciliation reduces the requirement to manually suppress items on the UPR that have been entered in Sunflower. Manual suppression of a payment will only be done in exceptional circumstances. Reconciliation will normally occur within a few days time once an item is in Sunflower.

NOAA Personal Property breaks out the UPR by fiscal year, by Line/Staff Office, and by regions. Graphs and tables are included in the Operation Reports illustrating the current status of the UPR for each Line/Staff Office by region. Other graphs illustrate the progress made over the past few weeks in reducing the amount of unreconciled property.

The only reason that a bank card should appear on the UPR with a capitalized object class code (object class codes which start with 31-1) is if the purchases are components or CWIP related, or in other words, the purchases are pieces of a larger project.

Use of the incorrect object class code affects the UPR. An example of this is when NOAA buys equipment, but NOAA will never own the equipment. The correct object class code for this transaction would be 31-5x. If the 31 object class code is used incorrectly, this transaction will appear on the UPR.

A snapshot of the current UPR is generated every Friday. To ensure conformity with the UPR being submitted to the Deputy Undersecretary, that UPR will be generated the first Friday of each month. **The focus of the report to the Deputy Undersecretary is Line Offices with a UPR of 90 days and older and greater than \$200,000.**

Inventory

The primary purpose of the annual physical inventory is to determine if the Property Custodian (PC) can account for all items of property on the Custodian's inventory list so the organization can reconcile the physical property with the property records and the financial records. The schedule for the physical inventories can be found at <http://www.pps.noaa.gov/invensch.htm>.

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Completion of inventories in a timely manner is being tracked by the Deputy Secretary at the Department level. The Personal Property Management Branch (PPMB) will work with Line and Staff Offices to ensure their 100 % physical inventory of owned assets is completed by May 31, 2007. All the physical inventories (including resolutions and reconciliations) must be completed by June 30. Explanations for any inventories not completed on-time will have to be provided in writing. Those inventories scheduled during the third quarter should consider moving the inventories up to meet the accelerated deadline.

It is now part of the Personal Property Office staff standard operating procedures to identify and specify documentation that must be submitted by Line and Staff Offices as a precondition to capitalizing equipment. This is the Personal Property Office attempt to correctly capitalize equipment.

Property Managers

As part of the corrective action plan in response to FY2004 MLC #7, each L/SO is required to appoint a property manager (PM) and an alternate. The L/SOs are to name the person formally (in writing). This person will be responsible for the coordination of all property management efforts for their L/SO, including:

- Ensuring that purchases of accountable property are reported timely;
- Assisting CWIP managers to ensure that capitalized property is reported as soon as possible after the asset is ready for use;
- Coordinating the annual/specialized physical inventories;
- Assisting with the disposal of excess property; and
- Working with personnel within their Line/Staff Offices to resolve outstanding unreconciled payments appearing on the UPR.

The following personnel have been identified as principal Property Managers:

- Carol Christian, AGO
- Judy Mickens, CAO
- Barbara Beasley, CFO
- Randy Hill, CIO
- Regina Jackson, GC
- Bernadette Foreman, NESDIS
- Jeanette McDonald, NMAO
- Robert Ziobro, NMFS
- Sloane Strother, NOS
- Jan Evans, NWS
- Mary Manoogian, OAR
- Jonathan Bailey, USAO
- Linda Adkins, WFM

The following offices have identified alternate Property Managers:

- Denise Tyler-Littleford, AGO
- Cynthia Burley, CAO

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- Gail Perry, CFO
- Kathy Stowe, CIO
- Thornette Johnson, GC
- John Phillips, NESDIS
- John Fallin, NMAO
- Rhonda Perry, NMFS
- **VACANT, NOS**
- Shelia Foster, NWS
- **VACANT, OAR**
- Danyale Little, USAO
- Michelle Masias, WFM

Property Accountability Officer (PAO) Training

The PAO training is on e-Learning and accessible through the Personal Property website that will take the user directly to e-Learning.noaa.gov. The user must have an e-Learning login to access the training and test. Upon successful completion of the course and a passing grade on the test (80% or better of the 43 questions), a certificate will be issued.

Property Custodian (PC) Training

The PC training is on e-Learning and accessible through the Personal Property website that will take the user directly to e-Learning.noaa.gov. The website course is for reference purposes. PCs should access the test through the e-Learning website. If PCs experience problems accessing the website, please contact Tom Deckard.

Tom Deckard will provide feedback to the PAOs and PMs notifying them when a PC has completed their training.

The NOAA deadline for completion of the training is February 28. Copies of the certificates for completion of the training need to be submitted to Tom Deckard, PPB, subject to audit by the Department. Copies of the certificates can be emailed to Tom Deckard as PDF attachments.

Property Accountability Officer (PAO) and Property Custodian (PC) Training

Reminder: New Personal Property Officials are required to receive training within 30 days of being assigned this role. Property Custodians are also reminded to increase oversight of transactions completed by Property Contacts.

PAO/PC Ethics Training

All Property Custodians are now required to take yearly ethics training. A link has been made available on the e-learning website at <http://e-learning.doc.gov/noaa/index.cfm>. Copies of the certificates for completion of the training need to be submitted to Tom Deckard, PPB, subject to audit by the Department. Copies of the certificates can be emailed to Tom Deckard as PDF attachments.

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Controls Affecting Personal Property

This chart shows the various initiatives related to Personal Property. Each initiative has an owner, a projected completion date, a status, milestones, and a date completed. This chart is sent to the Department to show the progress made on the personal property initiatives.

Reports

The reports were the next topic of the meeting.

Financial Reports

Personal Property currently provides financial reports to the Finance Office on a monthly and quarterly basis. The monthly reports reflect the month's activity whereas the quarterly reports reflect year-to-date activity. These reports detail the capital assets of NOAA by major asset category (Aircraft, Ship, ASOS, NEXRAD, etc.). There is a summary of the acquisition cost that shows the beginning balance of the asset category and any prior period adjustments, any current period adjustments, any additions, and any deletions to arrive at the ending balance of the asset category. Also included in the reports are the details for the Unreconciled Payments Report (UPR) and the details for the government-furnished equipment.

The Financial reports for the month of December were submitted to Finance electronically on December 15, 2006.

Operational Reports

The operational reports are similar to the financial reports; however, they detail only the assets for a particular Line/Staff Office. Hard copies of the operational reports will be provided at the end of the quarters (December, March, June, and September). Access to the electronic versions of the reports will be provided by means of emails sent to each Property Manager and alternate on those months when hard copies are not printed.

Also, in these operational reports are listings of the PAOs and Custodians. Please make sure that the information is current. Any changes that need to be made to update the listings should be directed to Tom Deckard.

Reminder re: assignment of property to its user.

The Property Custodian should require employees to sign for property issued exclusively to them. This signature on a [NOAA Form 37-40](#) (Personal Custody Property Record / Hand Receipt) provides an acknowledgement by the employee of their responsibility for the property. The NOAA Form 37-40 provides pertinent information such as model number, serial number, item description, and Property ID (barcode) Number.

The Personal Custody Receipt is used:

- to record property in use or in custody of individuals;
- to assign responsibility for sensitive or personal custody items;
- to provide an audit trail for property accountability;
- to provide assurance that the user understands their responsibility for property;
- to track items that an employee is required to take out of the office; or

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- to determine responsibility for lost, damaged, or stolen property.

Property Custodians are required to use this form when property is not used in an office setting or whenever property is removed from an office setting. In addition, it is **mandatory that all laptops, PDAs and SmartPhones be assigned to a particular designated individual**. This individual will be identified in the NOAA Property management system as the Current User of the asset. In addition, the Property Custodian should ensure that the designated individual completes a [NOAA Form 37-40, Personal Custody Property Record / Hand Receipt](#).

If there is property that has not yet been assigned to a user or if there is property which, because of the way it is used in the office, can not be assigned to a particular user, then it must be assigned to the Property Custodian in the Sunflower record.

Property Custodians are reminded that during annual physical inventories, positive determinations must be made that the property assigned to an individual is still in the possession of that particular individual. Therefore, the NOAA Form 37-40 must be revalidated or renewed at least annually.

When an employee or contractor that has property assigned to them leaves, transfers, or is reassigned, Property Custodians must ensure that this property is returned.

Additional Comments

Concerns were voiced regarding current staffing within the PPB. The current staff can not handle the current workload, especially the processing of asset record additions which impact the UPR, and the L/SO PMs want to know what PPB is doing to address the staffing issue. Zeke Dennison stated that a person has been assigned to assist with processing UPR in Seattle. In addition, a draft approach to address the staffing issue is being prepared to present to the CAO Council at the end of the month.

For those L/SO with UPR that is greater than 90 days old and greater than \$200,000, PPB requested that the L/SO continue to research the status of those UPR and determine if the items are waiting on action from PPB or the L/SO. PPB will request additional information from the L/SO with UPR to be reported to the Under Secretary, if necessary. PPB recognizes that some of the problem with UPR relates to the staffing issues which are currently being addressed.

Jan Evans, NWS, requested assistance in completing her inventories. Mr. Dennison recommended that she contact BranCore for assistance. In addition, Jan Evans mentioned that she does not have a PAO or PC for NWS Headquarters and is having difficulty convincing NWS to hire those positions. Mr. Dennison offered to talk to NWS for assistance.

Robin MacMillan, Norfolk, asked if the accelerated deadline related to physical inventories is just a one-time event or an annual event. Jon Pinner stated that although it is not a certainty, it was anticipated that this would be an annual requirement.

Robin MacMillan, Norfolk, wanted to determine the status of a waiver for a property custodian

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at GFDL. It has since been provided to her.

Thornette Johnson, GC, requested the current definition of PDAs. The definition of PDAs can be found on the NOAA Personal Property website:

<http://www.pps.noaa.gov/PDADefinition3.doc>.

Elizabeth Valenzona, Seattle, retired January 3, 2007.

Agenda Items for Next Meeting

If there are agenda items that the Line/Staff offices would like addressed in these monthly meetings, please provide them to Personal Property. You may email your suggestions to thomas.c.deckard@noaa.gov.

Date and Time of Next Meeting

The next meeting is scheduled for February 1 @ 11 a.m. at SSMC 4, Room 8150.

Attendees

Ezekiel Dennison – CAO/Logistics Div.
Mark Napoli – Deputy LD Director
Jon Pinner – PPB Branch Chief
Tom Deckard – PPB
Glenn Davis – BranCore Technologies
Paul Myers – BranCore Technologies
Heather Potter – Ernst & Young
Teyonna Queen – AGO
Judy Mickens – CAO
Jim Carter – CAO
Randy Hill – CIO
Thornette Johnson – GC
Robert Ziobro – NMFS
Rhonda Perry – NMFS
Kristin Brandenburg – OAR
Dale Lanser – OAR
Danyale Little – USAO

Via Tele-conference

Candace Myers - Finance
Gail Perry – CFO
Bernadette Foreman – NESDIS
Jeanette McDonald – NMAO
John Fallin - NMAO
Jan Evans – NWS
Sloane Strother – NOS
Michelle Masias – WFM
Sheila Hensley – Boulder/Kansas City

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Hank Kordek – Boulder
Robin MacMillan – Norfolk

Did not attend
Brian Mason – PPB

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Supplemental Information:

Headquarters Contacts

Below are the responsibilities of the personal property staff:

1. NOAA Research (OAR)
 - a. Ryland Pine
2. NESDIS
 - a. Holly E. Turri
3. NOAA Weather & Climate (NWS)
 - a. Doreen Kaduri-Porter
4. NOAA Ocean Service (NOS)
 - a. Melissa Nelson
5. PPI
 - a. Dominic Blakey
6. NOAA Marine & Aviation Operations (NMAO)
 - a. Ryland Pine
7. NOAA Staff Offices (CIO)
 - a. Melissa Nelson
8. NOAA Staff Offices (AGO, CAO, CFO, WFM, USAO, OGC)
 - a. Ryland Pine
9. Branch Chief
 - a. Jon Pinner
10. Audit Leads
 - a. Brian Mason
 - b. Tom Deckard
11. Support
 - a. Paul Myers
 - b. Ann Marquez
12. Collection-type Heritage Assets
 - a. Lynette Joynes
13. Inventory
 - a. Larry Oates
 - b. Ryland Pine
14. Norfolk
 - a. Robin MacMillan (RPAM)
15. Boulder
 - a. Rudy Nunez (RPM)
 - b. Sheila Hensley (RPAM)
16. Kansas City
 - a. Brian Mason
 - b. Holly Turri
 - c. Sheila Hensley
17. Seattle
 - a. Kim Hutchinson (RPAM)